

Los Angeles County **Board of Supervisors**

June 1, 2006

Gloria Molina First District

Yvonne B. Burke Second District

Zev Yaroslavsky Third District

Don Knabe

Michael D. Antonovich

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn of Administration 500 West Temple Street Los Angeles, CA 90012

APPROVAL OF AMENDMENTS WITH INSIGHT HEALTH CORP. FOR MAGNETIC RESONANCE IMAGING SERVICES

(All Districts) (3 Votes)

Bruce A. Chernof, MD Director and Chief Medical Officer

> John R. Cochran III Chief Deputy Director

William Loos, MD

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> > www.ladhs.org

To improve health

through leadership, service and education. IT IS RECOMMENDED THAT YOUR BOARD:

Authorize and instruct the Director of Health Services, or his designee, to sign four amendments (Exhibits I through IV) with Insight Health Corp. (Insight) for the provision of magnetic resonance imaging (MRI) services at Harbor-UCLA (Harbor), Martin Luther King, Jr./Drew (King), and Olive View-UCLA (Olive View) Medical Centers, and Rancho Los Amigos National Rehabilitation Center (Rancho), to extend the term on a month-to-month basis, effective July 1, 2006 through June 30, 2007, at a total estimated cost of \$8,489,274, with an option to extend the agreements an additional six months through December 31, 2007, and an option to terminate the agreements with a 30-day written notice by the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION(S):

In approving the recommended action, the Board is authorizing the Director of Health Services, or his designee, to sign four amendments for the continued provision of MRI patient care services at Harbor, King, Olive View, and Rancho while the Department of Health Services (DHS or Department) finalizes a solicitation process for MRI services.

FISCAL IMPACT/FINANCING:

The estimated total maximum County obligation for the four Insight Amendments is \$8,489,274, consisting of the following costs: Harbor-\$4,832,974 (Contract No. 58260), King - \$1,110,000 (Contract No. H-203002), Olive View - \$1,786,300 (Contract No. H-203001) and Rancho - \$760,000 (Contract No. H-200969), effective July 1, 2006 through June 30, 2007.

Funding for these Amendments is included in the Fiscal Year 2006-07 Proposed Budget and will be requested in future fiscal years.



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The Honorable Board of Supervisors June 1, 2006 Page 2

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

For nearly 20 years, Insight has been the sole source contractor for MRI services at Harbor, King, Olive View, Rancho and LAC+USC Medical Center. Insight has provided the construction of modular buildings and space at each of the facilities, equipment installation and maintenance, and overall management of day-to-day MRI operations.

On May 10, 2005, the Board approved four amendments for MRI services at Harbor, King, Olive View and Rancho to align the termination dates at each County facility to June 30, 2006. LAC+USC's Agreement expires on June 30, 2007. The method of provision of MRI services at the LAC+USC replacement facility is currently being assessed.

Recently, Insight has offered to change the payment arrangements at each of the facilities from the current guaranteed monthly fees, plus payment for scans, to a fee-per-scan rate without any guaranteed monthly fees. Each facility has performed a cost analysis. Harbor determined that the change is cost effective; the other facilities analyses are cost neutral. In addition, Insight has offered to upgrade the scanners at all the facilities, depending on the need for improved scanners. Insight's current agreements include provisions to upgrade the scanners which have not been upgraded at any facility for several years. The four facilities will be provided with mobile MRI scanners if the current scanners are deemed inoperable, until the upgraded scanners are installed.

The Amendments will provide Insight, during the extended term, the opportunity at each facility to upgrade the scanners to current standards, and revise and lower the procedure rates for MRI scans. Insight accepted reduced rates and the elimination of guaranteed monthly fees, procedure quotas and annual increases based on the Consumer Price Index, and agreed to provide an upgraded scanner at Harbor. Starting July 1, 2006, Harbor will be charged based on a fee-per-scan rate. The fee and service rate structure at King, Olive View and Rancho will remain the same and these facilities will also be provided with upgraded scanners.

The Department has not finalized a solicitation process because of unresolved equipment, payment methodology, and technology issues. The solicitation process will address the installation of the latest technological enhancements in MRI scanning with the addition of a Picture and Archival Communications Systems (known as PACS), with radiological images which are completely electronic and do not require storage of film images. All images can be retrieved through the PACS system for diagnosing and treatment of patients. The Chief Information Office is aware of the Department's efforts to upgrade the system and concur that the County must enhance radiology services to remain competitive in the community and enhance patient care.

The Amendments will be effective on a month-to-month basis with provision of a 30-day written notice from the County to terminate without cause.

Attachment A provides additional information. County Counsel has approved Exhibits I through IV as to use and form.

The Honorable Board of Supervisors June 1, 2006 Page 3

CONTRACTING PROCESS:

Insight has been the sole source contractor for MRI services since 1987. The Department is working with the four hospitals to finalize all the necessary components of the Statement of Work (SOW) to ensure all MRI needs will be addressed in the solicitation.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the Amendments will ensure continued services while the Department completes a competitive selection process.

When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,

Bruce A. Chernof, M.D.

Director and Chief Medical Officer

BAC: kke
Insight 4 facilities.ke.wpd

Attachments (6)

c: Chief Administrative Officer County Counsel Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

Insight Health Corp. will provide magnetic resonance imaging (MRI) patient care services at four County facilities: Harbor-UCLA (Harbor), Martin Luther King, Jr./Drew (King) and Olive View-UCLA (Olive View) Medical Centers and Rancho Los Amigos National Rehabilitation Center (Rancho).

2. AGENCY ADDRESS AND CONTACT PERSON:

Insight Health Corp. 26250 Enterprise Court, Suite 100 Lake Forest, CA 92630

Attention: Tim Mahanna Telephone: (949) 282-6153

3. TERM:

Effective on July 1, 2006 through June 30, 2007, with an option to extend the agreements for an additional six months through December 31, 2007.

4. FINANCIAL INFORMATION:

The maximum County obligation is for \$8,489,274. Funding is included in the Fiscal Year 2006-07 Proposed Budget and will be requested in future fiscal years.

5. PRIMARY GEOGRAPHIC AREA TO BE SERVED:

All Districts

6. DESIGNATED ACCOUNTABLE FOR PROGRAM EVALUATION:

Charles Mehringer, M.D., Chair, Department of Radiology (Harbor) Miguel Ortiz-Marroquin, Hospital Contracts Administrator (Harbor)

Vaughn Payne, M.D., Chair, Department of Radiology (King) Jimmie Smith, Hospital Administrator (King)

Ramesh Verma, M.D., Chair, Department of Radiology (Olive View) Dexter Moon, Hospital Contracts Administrator (Olive View)

Charles Stewart, M.D., Chair, Department of Radiology (Rancho) Cheryl Guinn, Hospital Contracts Administrator (Rancho)

7. <u>APPROVALS</u>:

Chief Executive Officer(s): Tecla Mickoseff

Antoinette Smith Epps Melinda Anderson Valerie Orange

Contracts and Grants: Cara O'Neill, Chief

County Counsel (approval as to form): Christina Salseda, Deputy

HARBOR-UCLA DIAGNOSTIC IMAGING CENTER OPERATING AND AFFILIATION AGREEMENT AMENDMENT NO. 4

WHEREAS, reference is made to that certain document entitled "HARBOR/UCLA DIAGNOSTIC IMAGING CENTER OPERATING AND AFFILIATION AGREEMENT", dated December 29, 1987, and further identified as County Agreement No. 58260 and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, the Harbor/UCLA Medical Center (hereafter "Medical Center") shall retain professional and administrative responsibility for the services provided under this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective July 1, 2006.

- 2. The term of this Agreement is hereby extended through June 30, 2007, unless sooner terminated. County may terminate this Agreement with a thirty (30) day written advance notice to Contractor, without cause, in whole or in part, as determined by Director or his/her designee. County shall have the option to extend the Agreement term for an additional six (6) months on a month-to-month basis at the same rates and under the same terms, with an option for County to terminate without cause, upon thirty (30) days written advance notice to Contractor. If County fails to extend the Agreement term as of the expiration date of June 30, 2007, then the Agreement shall expire on such date.
- 3. During the extended term, Contractor shall be compensated according to the payment provisions and rate(s) specified in Exhibit D of the Agreement.
- 4. Paragraph 16, (BILLING AND PAYMENT) of the Agreement and Subparagraphs B, C and H, shall be amended to read as follows:
 - "16. <u>BILLING AND PAYMENT</u>: Billings shall be made to County based on a fee-per-service or fee-per-scan, without a requirement of a guaranteed number of procedures being performed in any given month, and only for the actual procedures ordered by County and performed by Contractor. Fee-per-service or fee-per-scan shall mean that the County will pay or reimburse the Contractor at rates set forth in Exhibit D for actual MRI, CT scans (scheduled, completed transcribed reports, billed and collected). All billing to County and payment by County for magnetic resonance (MR), computed tomography (CT)

and other imaging modalities shall be at the fee-per-scan rates as described in Exhibit D, attached hereto and incorporated herein by reference."

- "B. Billing to County and payment by County for MR and CT scans and other imaging services provided County-referred outpatients hereunder shall be in accordance with the schedule of procedure codes and rates set forth in Exhibit D."
- "C. For all imaging procedures provided to County-referred inpatients, Medical Group shall bill County in accordance with the procedure codes and rates set forth in Exhibit D. Contractor and Medical Group shall provide County with a monthly report listing all County responsible patients who received services pursuant to this Paragraph. Such report shall include the patient's name, the date of service, the procedure(s) provided (by CPT Code) and the referring County hospital or health facility.
- "H. In the event the Medicare or Medi-Cal programs or both, establish revised reimbursement directives, Director is authorized to revise as necessary the billing procedures in this Paragraph pertaining to Medi-Cal and Medicare to comply with such directives, so long as the rates charged County and set forth in Exhibit D of this remain unchanged. In such circumstances, Director shall consult with the Medical Group and Contractor prior to revising the billing procedures and shall inform the Medical Group and Contractor in writing of the effective date thereof."

- 5. Paragraph 17, (MONTHLY GUARANTEE) of the Agreement shall be deleted in its entirety.
- 6. Paragraphs 21 and 30 (CONTRACTOR RESPONSIBILITY AND DEBARMENT) and (ASSIGNMENT BY CONTRACTOR), shall be amended to the Agreement to read as follows:

"21. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

- A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.
- B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.
- C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2)

committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same,(3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

- D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the

Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

These terms shall also apply to Subcontractors of County Contractors."

"30. ASSIGNMENT BY CONTRACTOR:

- A. Contractor shall not have any right to, and shall not, assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.
- B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution

of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

- C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity, other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."
- 7. Exhibits C-1 and C-2 shall be deleted in their entirety and shall be replaced by Exhibit D, attached hereto and incorporated herein by reference. All references to Exhibits C-1 and C-2 in this Agreement shall be deemed to refer to Exhibit D.
- 8. Exhibit D, attached hereto and incorporated herein by reference, shall be added to the Agreement and made a part thereof.
- 9. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services and

Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

	COUNTY OF LOS ANGELES
	Ву
	Bruce A. Chernof, M.D. Director and Chief Medical Officer
	INSIGHT HEALTH CORP. Contractor
	BySignature
	Kif HALLMAN Printed Name
	Title Exec Vice Resident
	(AFFIX CORPORATE SEAL)
APPROVED AS TO FORM BY THE OFFICE OF COUNTY COUNSEL	
County Counsel	
By	HARBOR/UCLA MEDICAL FOUNDATION, INC.
Christina A. Salseda, Deputy	
APPROVED AS TO CONTRACT	By Mockello
ADMINISTRATION:	Signature MACIC B OLIVER
Department of Health Services	Printed Name
ByCara O'Neill Chief	Title <u>CEO</u>

Kke\HUCLA/Thursday, May 18, 2006 Final

Cara O'Neill, Chief Contracts and Grants

EXHIBIT D SCHEDULE OF PROCEDURE RATES

A. FEE PER SCAN SERVICE:

MR Scans - \$740.00 fee per scan, which will include the MRI exam with the appropriate number of sequences, any necessary contrast injections and supplies, transportation of a Harbor inpatient, Treatment Authorization Request (TAR) processing and direct billing.

CT Scans - \$254.00 fee per scan, which will include the CT exam with the appropriate number of sequences, transportation of a Harbor inpatient, TAR processing and direct billing. If contrast medium or supplies are necessary, there will be additional charge of \$62.00.

Procedure rates will not be based on a guaranteed number of procedures per month. County shall only be billed for actual procedures performed on County referred patients.

MR = Magnetic Resonance CT = Computed Tomography

MRI = Magnetic Resonance Imaging

B. MULTIPLE PROCEDURES:

There shall be fee-per-service or fee per scan billing to the County including any applicable multiple procedure discounts, with the applicable billing modifier codes. A guaranteed number of procedures is not required.

C. SCANNER DOWNTIME:

In the event Contractor's MR or CT scanner has unplanned downtime or is deemed inoperable in excess of 2 days of the clinical time required under this Agreement, Contractor shall provide the facility with a mobile MRI scanner immediately until the down scanner is repaired and operational.

<u>Clinical time</u> shall be defined as operational hours for providing patient scans in the Imaging Center from 7:00 am to 7:00 pm, Monday through Friday.

<u>Maintenance time</u> shall be defined as downtime for routine scheduled scanner repairs, or safeguarding and preservation of the equipment.

<u>Downtime</u> shall be defined as a failure of the MR or CT scanner to scan or perform any type of patient radiological images. Downtime does not include scheduled maintenance or installation of computer software.

D. SCHEDULE OF RATES:

Radiography/Fluoroscopy, Mammography, Ultrasound, and Non-Invasive Vascular procedure rates shall be billed in accordance with the current CPT

procedure codes and rates, technical component rates and the current professional component rates.

E.

SCHEDULE OF RATE INCREASES:
There will be no Consumer Price Index (CPI) rate changes for the remainder of the term of this Agreement.

Exhibit D Schedule of Procedure Codes (CPT) Effective July 1, 2006

County shall reimburse Medical Group for County-referred patients in accordance with the current professional component procedure rates for the reminder of this Agreement. Reimbursement rates should be for technical fees based on current Medicare rates.

Modality CT Radiology/Fluoroscopy	CPT 76376 70030 70100 70110 70120 70130 70134 70140 70150 70160 70190 70210 70220 70240 70250 70260 70328 70360 70390	Description 3D reconstruction Eye, foreign body Mandible, limited Mandible, complete Mastoid, unilateral Mastoid Int. Auditory meat. Facial, limited Facial, orbits Nasal bones Optic Foramina Sinus, limited Sinus, complete Sella Skull, limited Skull, complete T. M. J.'s Neck, soft tissue Sialogram
	71010 71020 71030 71034 71040 71090 71100 71110 71110 71120 71130 71140 71160 31710 72010	Chest, 1 view Chest 2 views Chest, 4 views Chest, fluoro Bronchogram Pacemaker, R&F Ribs, unilateral Ribs, bilateral Sternum Sternoclavicular Bronchogram, unilateral Bronchogram, bilateral Bronchogram, injection Spine, entire

EXHIBIT D SCHEDULE OF PROCEDURE CODES (CPT)

	72020 72040 72050	Spine, single view C-Spine, 2 views C-Spine, complete
Modality Radiology/Fluoroscopy o	CPT continued 72052 72070 72080 72090 72100 72114 72170 72180 72190 72202 72220 72270	C-Spine, flex/ext T-Spine T-L junction Scoliosis study L-Spine, limited L-Spine, complete L-Spine, bending Pelvis Pelvis, steres Pelvis, complete Sacroiliac, joints Sacrum/coccyx Myelogram
	73000 73010 73020 73030 73040 23350 73050 73050 73060 73070 73080 73090 73100 73110 73120 73130 73140	Clavicle Scapula Shoulder, limited Shoulder, complete Shoulder, arthrogram Shoulder, injection A-C joints Humerus Elbow, limited Elbow, complete Forearm Wrist, limited Wrist, complete Hand, limited Hand, complete Fingers
	73500 73510 73520	Hip, unilateral, limited Hip, unilateral, complete Hip, bilateral

EXHIBIT D

	EXHIBIT D	
SCHI	EDULE OF PROCE	OURE CODES (CPT)
	73550	Femur
	73560	Knee, limited
	73570	Knee, complete
	73580	Knee, arthrogram
	27370	Knee, injection
	73590	Tibia, fibula
	73600	Ankle, limited
	73610	Ankle, complete
	73620	Foot, limited
		, , , , , , , , , , , , , , , , , , , ,
Modality	CPT	Description
Radiology/Fluoroscopy co		
radiology/r lacitocopy to	73630	Foot, complete
	73650	Os Calcis
	73660	Toes
	10000	. 505
	74000	Abdomen (KUB)
	74010	Abdomen, oblique
	74020	Abdomen, complete
	74210	Esophagus, cervical
	74220	Esophagus, complete
	74230	Esophagus, cine
	74241	Upper GI
	74245	UGI/small bowel
	74250	Small bowel only
	74270	Barium enema
	74280	Barium enema, air contrast
	74290	Cholecystogram
	74291	Cholecystogram, repeat
	74305	Choleangio., T-tube
	74310	Choleangio, IV
	74320	Choleangio, percutan
	47500	Choleangio, percutan injection
	74400	IV Pyelogram
	74406	Infusion, hyper. IVP
	74415	IVP/tomos
	74420	Retrograde pyelogram
	74420 74430	Cystography
	51600 74455	Cystography, injection Urethrocystogram
	74455 74470	Translumbar renal cystography
	74470	Transiumbal renal cyslography

EXHIBIT D

EXHIBIT D		
	SCHEDULE OF PRO	CEDURE CODES (CPT)
	74710	Pelvimetry
	74740	Hysterosalipingiogram
	58340	Hystero., injection
	76000	Fluoroscopy
	76020	Bone age
	76061	Bone survey
Mammography	76090	Mammography, unilateral
J, J	76091	Mammography, bilateral
	19100	Percutaneous needle localization (prior
		to biopsy)
Ultrasound	76535	UTZ: thyroid
	76601	UTZ, pericardium
	76620	Echocardiogram
	76700	UTZ: abdomen, limited
Modality	CPT	<u>Description</u>
Ultrasound	7 6705	UTZ: abdomen
Oldacoana	76710	UTZ: liver
	76720	UTZ: gallbladder
	76730	UTZ: kidneys
	76740	UTZ: pancreas
	76750	UTZ: spleen
	76760	UTZ: aorta
	76770	UTZ: Retro. Space
	76780	UTZ: urinary bladder
	76870	UTZ: scrotum, testicles
	76805	UTZ: fetal age
	76815	UTZ: fetal age, repeat
	76820	UTZ: placental location
	76840	UTZ: IUD location
	76850	UTZ: pelvic mass
	76960	UTZ: biopsy
	70900	OTZ. Diopsy
Non-Invasive Vascu	lar 93875	UTZ: carotids
	93870	OPG carotids
	93950	Venous NIV, bilateral
	93910	Arterial, lower extremities
		(includes resting Doppler pressures,
		segmental plethysmography and
		reactive hyperemia)

EXHIBIT D SCHEDULE OF PROCEDURE CODES (CPT)

93910	Arterial, lower extremities (includes resting Doppler pressures and
76880	segmental plethysmography) Arterial, upper extremities (includes
	resting Doppler pressures and segmental plethysmography and stress
	testing)
93890	Arterial, upper extremities (includes
	resting Doppler pressures and
	segmental plethysmography)

Some of the CPT Procedure Codes may be obsolete or revised to 2006 new codes.

MARTIN LUTHER KING, JR. /DREW MEDICAL CENTER MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT

AMENDMENT NO. 9

	THIS AMENDMENT is made	and entered into this	_ day
of _	, 2006,		
	by and between	COUNTY OF LOS ANGELES (hereafter "County"),	
	and	INSIGHT HEALTH CORP. (hereafter "Contractor").	

WHEREAS, reference is made to that certain document entitled "MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT", dated January 14, 1994, and further identified as County Agreement No. H-203002 and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, the Martin Luther King, Jr./Drew Medical Center (hereafter "Medical Center") shall retain professional and administrative responsibility for the services provided under this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

- 1. This Amendment shall become effective July 1, 2006.
- 2. The term of this Agreement is hereby extended through June 30, 2007, unless sooner terminated. County may terminate this Agreement with a thirty (30) day

written advance notice to Contractor, without cause, in whole or in part, as determined by Director or his/her designee. County shall have the option to extend the Agreement term for an additional six (6) months on a month-to-month basis at the same rates and under the same terms, with an option for County to terminate without cause, upon thirty (30) days written advance notice to Contractor. If County fails to extend the Agreement term as of the expiration date of June 30, 2007, then the Agreement shall expire on such date.

- 3. During the extended term, Contractor shall be compensated according to the same payment provisions and same rate(s) specified in the Agreement.
- 4. That Paragraphs 11 and 30, (CONTRACTOR RESPONSIBILITY AND DEBARMENT) and (ASSIGNMENT BY CONTRACTOR) of this Agreement, shall be amended to read as follows:

"11. ASSIGNMENT BY CONTRACTOR:

A. Contractor shall not have any right to, and shall not, assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off,

recoupment or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

- B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.
- C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity, other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

"30. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

- A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.
- B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.
- C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same,(3) committed an act or offense which indicates a lack of

business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

- D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

These terms shall also apply to Subcontractors of County Contractors."

5. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services and

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Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

	By Bruce A. Chernof, M.D. Director and Chief Medical Officer
	INSIGHT HEALTH CORP. Contractor By Signature
	Printed Name
	Title Exec. Vice President (AFFIX CORPORATE SEAL)
APPROVED AS TO FORM: BY THE OFFICE OF THE COUNTY COL	INSEL
County Counsel	
ByChristina A. Salseda, Deputy	
APPROVED AS TO CONTRACT ADMINISTRATION:	
Department of Health Services	
By Cara O'Neill, Division Chief Contracts and Grants	
Kke\King/Thursday, May 18, 2006 Final	

OLIVE VIEW-UCLA MEDICAL CENTER MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT

AMENDMENT NO. 7

THIS AMENDMENT is made and entered into this		_ day	
of _	, 2006,		
	by and between	COUNTY OF LOS ANGELES (hereafter "County"),	
	and	INSIGHT HEALTH CORP. (hereafter "Contractor")	

WHEREAS, reference is made to that certain document entitled "MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT", dated January 14, 1994, and further identified as County Agreement No. H-203002 and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, the Olive View–UCLA Medical Center (hereafter "Medical Center") shall retain professional and administrative responsibility for the services provided under this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

- 1. This Amendment shall become effective July 1, 2006.
- 2. The term of this Agreement is hereby extended through June 30, 2007, unless sooner terminated. County may terminate this Agreement with a thirty (30) day

written advance notice to Contractor, without cause, in whole or in part, as determined by Director or his/her designee. County shall have the option to extend the Agreement term for an additional six (6) months on a month-to-month basis at the same rates and under the same terms, with an option for County terminate without cause, upon thirty (30) days written advance notice to Contractor. If County fails to extend the Agreement term as of the expiration date of June 30, 2007, then the Agreement shall expire on such date.

- 3. During the extended term, Contractor shall be compensated according to the same payment provisions and same rate(s) specified in the Agreement.
- 4. That Paragraphs 11 and 30, (CONTRACTOR RESPONSIBILITY AND DEBARMENT) and (ASSIGNMENT BY CONTRACTOR) of this Agreement, shall be amended to read as follows:

"11. ASSIGNMENT BY CONTRACTOR:

A. Contractor shall not have any right to, and shall not, assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off,

recoupment or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

- B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.
- C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity, other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

"30. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness,

capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

- B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.
- C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same,(3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.
- D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence

which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

These terms shall also apply to Subcontractors of County Contractors."

5. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services and

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Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

	COUNTY OF LOS ANGELES
	ByBruce A. Chernof, M.D. Director and Chief Medical Officer
	INSIGHT HEALTH CORP. Contractor
	BySignature
	Title Exec. Vice President (AFFIX CORPORATE SEAL)
APPROVED AS TO FORM: BY THE OFFICE OF THE COUNTY COU	NSEL
County Counsel	•
ByChristina A. Salseda, Deputy	
APPROVED AS TO CONTRACT ADMINISTRATION:	
Department of Health Services	
By Cara O'Neill, Division Chief Contracts and Grants	

Kke\Olive View/Thursday, May 18, 2006 Final

RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT

AMENDMENT NO. 7

THIS AMENDMENT is made and entered into this		ade and entered into this day
of _	, 2006,	
	by and between	COUNTY OF LOS ANGELES (hereafter "County"),
	and	INSIGHT HEALTH CORP. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "MAGNETIC RESONANCE IMAGING SERVICES AGREEMENT", dated May 11, 1992, and further identified as County Agreement No. H-200969 and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, the Rancho Los Amigos National Rehabilitation Center (hereafter "Medical Center") shall retain professional and administrative responsibility for the services provided under this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

- 1. This Amendment shall become effective July 1, 2006.
- 2. The term of this Agreement is hereby extended through on June 30, 2007, unless sooner terminated. County may terminate this Agreement with a thirty (30) day written advance notice to Contractor, without cause, in whole or in part, as determined by

Director or his/her designee. County shall have the option to extend the Agreement term for an additional six (6) months on a month-to-month basis at the same rates and under the same terms, with an option for County to terminate without cause, upon thirty (30) days written advance notice to Contractor. If County fails to extend the Agreement term as of the expiration date of June 30, 2007, then the Agreement shall expire on such date.

- 3. During the extended term, Contractor shall be compensated according to the same payment provisions and same rate(s) specified in the Agreement.
- 4. That Paragraphs 9 and 28 (CONTRACTOR RESPONSIBILITY AND DEBARMENT) and (ASSIGNMENT BY CONTRACTOR), shall be amended to the Agreement to read as follows:

"9 ASSIGNMENT BY CONTRACTOR:

A. Contractor shall not have any right to, and shall not, assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

- B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.
- C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity, other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

"28. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

- B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.
- C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.
- D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

These terms shall also apply to Subcontractors of County Contractors."

5. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services and

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Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

	By
	Signature Lift HALLMAN Printed Name Title Etec. Vice President (AFFIX CORPORATE SEAL)
APPROVED AS TO FORM: BY THE OFFICE OF THE COUNTY COL	
ByChristina A. Salseda, Deputy APPROVED AS TO CONTRACT ADMINISTRATION:	
Department of Health Services By Cara O'Neill, Division Chief	
Contracts and Grants Kke\Rancho/Thursday, May 18, 2006 Final	